



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2011 Biennium

Bill #	HB0281	Title:	Remove contraceptive prohibition under CHIP
Primary Sponsor:	Hunter, Chuck	Status:	As Introduced

- | | | |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input checked="" type="checkbox"/> Needs to be included in HB 2 | <input type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>	<u>FY 2012 Difference</u>	<u>FY 2013 Difference</u>
Expenditures:				
General Fund	\$34,243	\$34,741	\$34,861	\$34,861
Federal Special Revenue	\$116,606	\$116,108	\$115,988	\$115,988
Revenue:				
Federal Special Revenue	\$116,606	\$116,108	\$115,988	\$115,988
Other	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance	<u>(\$34,243)</u>	<u>(\$34,741)</u>	<u>(\$34,861)</u>	<u>(\$34,861)</u>

Description of fiscal impact:

HB 281 will remove the prohibition against using Children's Health Insurance Plan (CHIP) to pay for contraception, amending section 53-4-1005, MCA.

FISCAL ANALYSIS

Assumptions:

1. There are 1,770 females ages 15-19 currently enrolled in the Children's Health Insurance Plan (CHIP); they represent approximately 10 percent of the total enrollment.
2. For this bill the CHIP population will remain at a maximum of 17,240.
3. Once the Healthy Montana Kids program is implemented, depending on the configuration of the CHIP population, it is expected that some of these costs might be funded with I-155 funds. An accurate estimate is not possible at this time.
4. The Montana 2007 Youth Risk Behavior Survey estimates that 45.7 percent of Montana high school teens are sexually active. Therefore, approximately 809 (1,770 X 45.7 percent) female CHIP members are estimated to be sexually active.

5. Based on national data, only 80% of sexually active teens use contraceptives (prescription and non-prescription methods). An estimated 70% of teens using contraceptives, use prescription methods. Therefore, of the 647 (890 X 80%) CHIP current members who use contraceptives, 453 (647 X 70%) would use prescription methods.
6. The average cost per year of prescription contraceptives is \$333. (Cost based on teens' utilization of various methods and assumes perfect usage for an entire year)
7. The estimated contraceptive cost with perfect usage for 453 CHIP members @ \$333 per year is equal to \$150,849 annually.
8. These costs will be funded at the CHIP Enhanced Federal Medical Assistance Percentage (FMAP), as follows:

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	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>	<u>FY 2012 Difference</u>	<u>FY 2013 Difference</u>
<u>Fiscal Impact:</u>				
<u>Expenditures:</u>				
Benefits	\$150,849	\$150,849	\$150,849	\$150,849
TOTAL Expenditures	\$150,849	\$150,849	\$150,849	\$150,849
<u>Funding of Expenditures:</u>				
General Fund (01)	\$34,243	\$34,741	\$34,861	\$34,861
Federal Special Revenue (03)	\$116,606	\$116,108	\$115,988	\$115,988
TOTAL Funding of Exp.	\$150,849	\$150,849	\$150,849	\$150,849
<u>Revenues:</u>				
Federal Special Revenue (03)	\$116,606	\$116,108	\$115,988	\$115,988
Other	\$0	\$0	\$0	\$0
TOTAL Revenues	\$116,606	\$116,108	\$115,988	\$115,988
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	(\$34,243)	(\$34,741)	(\$34,861)	(\$34,861)

Sponsor's Initials

Date

Budget Director's Initials

Date